

NEWS RELEASE



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COUPLE SENTENCED FOR HEALTHCARE FRAUD

*Investigation into medical equipment company completed -
four persons convicted in federal court*

Owner of company sentenced to 8 years federal imprisonment

Lafayette, Louisiana . . . United States Attorney Donald W. Washington announced that **OBOT NELSON UDOH**, age 48, and **CHRISTIE O. UDOH**, age 46, both from Houston, Texas were sentenced today by United States District Judge Rebecca Doherty for healthcare fraud and conspiracy charges.

OBOT NELSON UDOH was sentenced to 97 months (8 years, 1 month) federal imprisonment to be followed by 3 years supervised release. He must also pay \$3,292,345.92 in restitution. OBOT UDOH was tried by a jury in May 2006 and was found guilty of 11 counts of healthcare fraud and 1 count of conspiracy.

CHRISTIE UDOH was sentenced to 4 months home confinement and 5 years supervised release. She must also pay \$461,294.91 in restitution. CHRISTIE UDOH pled guilty in May 2006 to misprision of

a felony.

The UDOHS' fraud resulted in a loss of \$3,292,345.92 to the Medicare program.

The UDOHs and two co-conspirators were indicted in November 2004 following an investigation by United States Department of Health & Human Services and Federal Bureau of Investigation into a scheme of providing motorized wheelchairs and scooters to people who did not have a legitimate medical reason to have them. The scheme resulted in Medicare reimbursing the UDOH's company millions of dollars to which it was not legally entitled to receive.

Sentencing in federal court is determined by the discretion of federal judges and the governing statute. United States Sentencing Guidelines established by the United States Congress and the United States Sentencing Commission may only be used as guidelines by the judge. Parole has been abolished in the federal system.

OBOT NELSON UDOH and CHRISTIE O. UDOH owned and operated Legend Medical Services, a medical equipment company located in Houston, Texas. Legend Medical Services provided wheelchairs and motorized scooters to persons receiving Medicare benefits. From July 2002 through August 2003, Legend Medical Services billed Medicare \$7,538,559.29 and received \$3,914,271.18 as reimbursement for providing K0011 powered wheelchairs to more than 1000 Medicare beneficiaries. A K0011 is a powered wheelchair that has programmable controls. The K0011 wheelchair is typically prescribed only for paraplegics and individuals who are unable to walk over a long period of time.

To assist in their scheme, the UDOH's hired Veronda Warfield and Pearlie Warfield to recruit Medicare beneficiaries in the south Louisiana area on behalf of Legend Medical Services. The Medicare beneficiaries were told that the government was giving away free wheelchairs and/or scooters to Medicare recipients. Medicare rules require that a licensed physician must order and/or prescribe the powered

wheelchair for individuals who experience extreme difficulty in walking. The physician must sign a document attesting that the equipment is medically needed by the beneficiary. However, Pearlie Warfield told the Medicare beneficiaries that Medicare did not require them to see a doctor in order to receive the wheelchair/scooter. Veronda Warfield copied the Medicare beneficiary's paperwork and forwarded it to Obot Nelson Udoh for processing. Veronda Warfield and Pearlie Warfield were paid a total of \$109,489.74 by Legend Medical Services in a six-month period for recruiting medicare beneficiaries.

Pearlie Warfield pled guilty of conspiracy to commit healthcare fraud in June 2005. She was sentenced to 15 months imprisonment to be followed by 3 years supervised release and was also ordered to pay restitution in the amount of \$2,276,876.50. Veronda Warfield Pled guilty to violating the Anti-Kickback Statute in August 2005. She was sentenced to 3 years supervised release and was ordered to pay restitution in the amount of \$10,311.

This case was prosecuted by Assistant United States Attorney Kelly P. Uebinger.

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